

and (b) The Government is still in the process of finalizing the new pricing policy for urea units. New Pricing Policy would be announced after obtaining the approval of the competent authority.

**Use of coal in production of chemical fertilizers**

**t1409. SHRI KAPIL SIBAL:**

**DR D. MASTHAN:**

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the possibilities to use coal, instead of natural gas and naphtha, in the production of chemical fertilizers in the country are being explored;

(b) if so, the action taken by Government in this direction;

(c) whether it is a fact that the use of coal would reduce the production cost of fertilizers; and

(d) if so, the estimated percentage of reduction in the cost of production?

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS):** (a) and (b) In the context of dwindling supply of natural gas, which is the preferred feedstock for production of nitrogenous fertilizers and increase in the price of naphtha based on import parity prices, Government is exploring use of alternative feedstock like coal. Government have, therefore, constituted a Task Force on 7th March 2000 under the Chairmanship of Secretary, Department of Fertilizers consisting of the representatives of Ministry of Science & Technology, Ministry of Coal, Ministry of Power, Fertilizer Association of India, Council of Scientific and Industrial Research, Projects & Development India Ltd. etc. to explore the possibility of coal based technology for fertilizer sector. The Task Force has been asked to submit its report by 31st August, 2000.

(c) and (d) Comparative cost of production of nitrogenous fertilizer based on coal as feedstock can be established only after a Detailed Feasibility Report is prepared in this regard.

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<sup>t</sup>Original notice of the question was received in Hindi.